

TYNDALL AUSTRALIAN SHARE CONCENTRATED FUND.

FUND UPDATE

AS AT
31 AUGUST 2021

Fund Performance (%)

	1 Mth	3 Mths	6 Mths	1 Yr	2 Yrs p.a.	3 Yrs p.a.	4 Yrs p.a.	5 Yrs p.a.	10 Yrs p.a.	15 Yrs p.a.	20 Yrs p.a.	Since Inception p.a.
Fund growth return	5.52	6.33	8.97	21.37	-0.27	-1.43	-2.19	-1.58	0.60	--	--	0.18
Fund distribution return	0.00	1.91	10.52	12.96	8.61	7.25	8.66	8.94	9.32	--	--	8.76
Total Fund (net)	5.52	8.24	19.49	34.33	8.34	5.82	6.48	7.36	9.92	--	--	8.94
Benchmark return	2.50	5.97	14.96	28.15	10.29	9.87	11.23	10.94	10.31	--	--	9.61
Excess Return	3.02	2.26	4.53	6.18	-1.95	-4.06	-4.75	-3.58	-0.39	--	--	-0.68

Source: BNP Paribas. Fund growth return is the change in redemption prices over the period. Fund distribution return equals Total Fund minus fund growth return. Fund net returns are post fees, pre tax using redemption prices and assume reinvestment of distributions. Inception date for the Fund is 26 May 2010. Past performance is not an indicator of future performance.

The Fund outperformed the benchmark over the month.

Key contributors to relative performance:

- **Downer** outperformed on the back of a relatively strong FY21 result which demonstrated that the shift in strategy to urban services is delivering more consistent performance.
- **Ardent Leisure** outperformed after delivering a FY21 result that beat expectations. In particular, the company's largest asset, Main Event, appears to be performing very strongly since the re-opening of the US economy.
- **IOOF** outperformed on the back of rising equity markets supporting revenue growth, plus delivering a result that was marginally ahead of consensus expectations.
- The nil holding in **Fortescue Metals** contributed to performance as the stock underperformed due to a rapid fall in iron ore prices despite reporting results

and guidance largely within market expectations and announcing very strong dividends.

- **Suncorp** outperformed during the month as its FY results were well received by the market. This included better than expected profits, dividends and the added bonus of a modest capital return.

Key detractors from relative performance:

- Our nil holding in **Afterpay** detracted from performance as Square, Inc announced plans to acquire Afterpay for AUD 39 billion in an agreed scrip deal that was a 30% premium to the previous closing price and thus the stock quickly re-rated to the implied takeover price.
- Our nil holding in **CSL** detracted from performance during August. The stock outperformed, in spite of weaker than expected guidance for FY22, as the market gained comfort that US plasma donations are recovering.
- The nil holding in **James Hardie** detracted from performance. James Hardie outperformed in

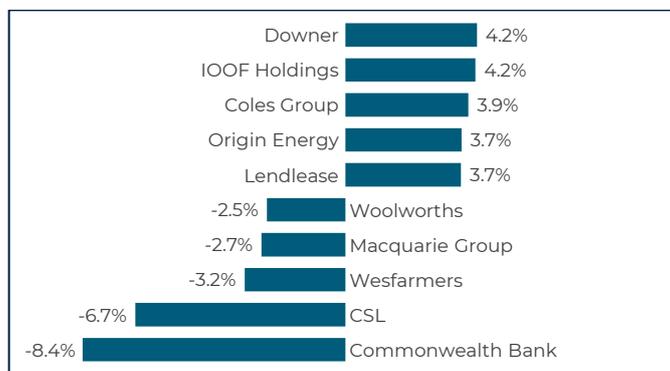
August, delivering a very strong result underpinned by strong volumes and a favourable volume mix.

- **Lendlease** detracted from performance having announced a weak result and also flagging weak earnings in FY22 and FY23 as COVID impacts linger and developments have been delayed.
- Our nil holding in **WiseTech Global** detracted from performance as the stock rallied strongly. WiseTech's FY21 result surpassed expectations and its FY22 guidance was also higher than consensus estimates.

Top 10 Holdings

Security Name	% of Fund
Westpac Bank	7.59
ANZ Bank	7.34
BHP Group	7.12
National Australia Bank	6.88
Coles Group	5.08
Aristocrat Leisure	4.74
Downer EDI	4.42
IIOF	4.30
Lendlease	4.09
Origin Energy	4.09

Top 5 Over/Underweight Positions



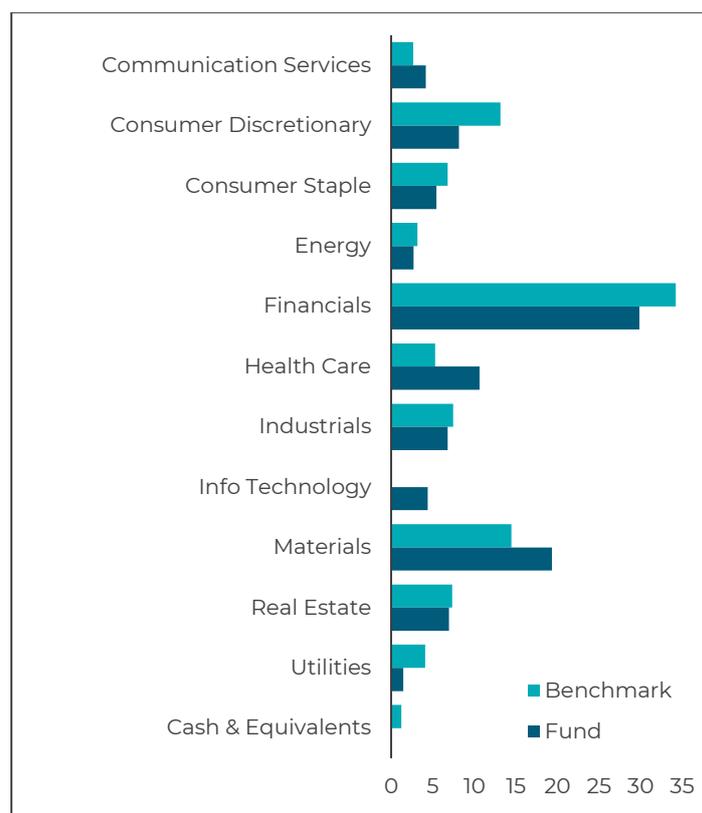
Fund Metrics

	Price to Earnings Ratio*	Forecast Dividend Yield (%)*
Fund	16.56	4.23
Benchmark	18.30	3.77

Actual figures may vary. Forecasts are 12 months forward.

* Based on Broker Consensus forecast.

Sector Exposure (%)



Market Commentary

The S&P/ASX 200 Accumulation Index returned 2.5% during the month. Australian equities lagged global markets slightly during August. In the major developed markets, the US S&P 500 was up 3.0%, as was Japan's Nikkei 225. The DJ Euro Stoxx 50 was up 2.6% and the UK's FTSE 100 was up 2.1%. (in local currency terms).

Monetary policy settings remained unchanged in August, as the Reserve Bank of Australia (RBA) maintained both the cash rate and 3 year yield target at 0.10%.

Domestic economic data releases in August were mixed. Employment rose by 2,200 positions in July. The unemployment rate fell unexpectedly to 4.6%, the ninth straight monthly fall, as the number of people looking for work fell. The NAB Survey of Business Conditions fell sharply, down 14 points, to 11 in July. Business confidence also plunged to -8 (from 11 the month prior) as the latest COVID-19 outbreaks and lockdowns dented confidence. Retail sales fell 1.8% in June, which was in line with expectations. National CoreLogic dwelling prices saw another consecutive monthly rise in August, ending the month up 1.5%.

Sector returns were largely positive in August. The best performing sectors were information technology (17.0%), consumer staples (6.9%) and health care (6.8%). Real estate (5.8%), communication services (5.2%), financials (4.8%), consumer discretionary (3.4%) and industrials (2.7%) also outperformed the broader index. Utilities (1.0%) and energy (-3.9%) underperformed the broader index, while materials (-7.3%) was the worst performing sector.

The August reporting season saw beats outnumber misses overall, and positive surprises on dividends, suggesting balance sheets are in good health. In stock specific news, mergers and acquisition activity continued with Afterpay agreeing to being acquired by Square for AUD39 billion. Oil Search and Santos have agreed to a merger, creating a combined group worth AUD 22 billion. Also in the energy sector, Woodside Petroleum and BHP entered into a merger commitment deed to combine their respective oil and gas portfolios through an all-stock merger under Woodside, subject to the necessary approvals.

Fund Objective

The Fund aims to provide long-term capital growth and income by investing in a concentrated selection of shares. The Fund is constructed on a benchmark unaware basis, which means stock weightings in the Fund can vary considerably from the S&P/ASX 200 Index.



ESG is incorporated into each and every valuation

Key Facts

Responsible Entity

Yarra Investment Management Limited

Buy/Sell Spread

0.25%/0.25%

APIR Code

TYN0040AU

Management Cost

1.00% p.a.

Portfolio Manager

Tim Johnston, Jason Kim

Distribution Frequency

Quarterly

Asset Allocation

Australian Shares	80% - 100%
International Shares	0% - 10%
Cash	0% - 10%

Fund Size

AUD 20.07 million

Minimum Investment

AUD 10,000 or platform nominated minimums

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